

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:

APPLICATION OF THE KINGSTON-)	
TERRILL WATER DISTRICT FOR A)	
PURCHASED WATER ADJUSTMENT)	CASE NO 9316
PURSUANT TO 807 KAR 5:067)	

O R D E R

On March 29, 1985, Kingston-Terrill Water District ("Kingston-Terrill") filed an application with the Public Service Commission ("Commission") seeking approval of its purchased water adjustment clause and authority to adjust its rates in accordance with that clause.

The Commission, having reviewed the evidence of record and being advised, is of the opinion and finds that:

(1) The purchased water adjustment clause filed by Kingston-Terrill is in compliance with 807 KAR 5:067, Purchased Water Adjustment Clause, is in the best interest of Kingston-Terrill and the public, and should be approved.

(2) Kingston-Terrill's supplier, City of Richmond ("City"), increased the wholesale cost of water by approximately \$.34 per 100 cubic feet, effective April 1, 1985.

(3) The statements of water purchased and sold filed by Kingston-Terrill for the 12-month period ending December 31, 1984,

show that its water loss is approximately 9 percent, which is less than the maximum of 15 percent allowed by the Commission.

(4) The calculations made by Kingston-Terrill are correct and show that the total allowable increase in purchased water costs is \$62,432 resulting in a purchased water adjustment of \$.38 per 100 cubic feet.

(5) The financial statements filed by Kingston-Terrill indicate that it cannot absorb an increase of this magnitude in the wholesale cost of water.

(6) The purchased water adjustment in the amount of \$.38 per 100 cubic feet and the rates in Appendix A are fair, just and reasonable and should be approved.

IT IS THEREFORE ORDERED that the purchased water adjustment clause proposed by Kingston-Terrill be and it hereby is approved effective on and after the date of this Order.

IT IS FURTHER ORDERED that the purchased water adjustment in the amount of \$.38 per 100 cubic feet and the rates in Appendix A be and they hereby are approved for service rendered on and after the date of this Order.

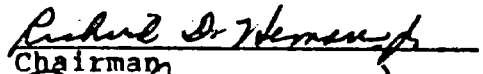
IT IS FURTHER ORDERED that for the purpose of future application of the purchased water adjustment clause of Kingston-Terrill, the base rates for purchased water shall be:

<u>Supplier</u>	<u>Rates</u>		
City of Richmond	First	300 c.f.	\$5.65 Minimum
	Next	400 c.f.	1.65 per 100 c.f.
	Next	5,000 c.f.	1.50 per 100 c.f.
	Next	5,000 c.f.	1.25 per 100 c.f.
	Over	10,700 c.f.	.94 per 100 c.f.

IT IS FURTHER ORDERED that within 30 days of the date of this Order Kingston-Terrill shall file its revised tariff sheets setting out the purchased water adjustment clause and the rates approved herein.

Done at Frankfort, Kentucky, this 1st day of May, 1985

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:

Secretary

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 9316 DATED MAY 1, 1985

The following rates and charges are prescribed for the customers receiving service from Kingston-Terrill Water District. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of this Commission prior to the effective date of this Order.

USAGE BLOCKS

MONTHLY RATES

First 200 cubic feet	\$ 6.06 Minimum
Next 300 cubic feet	2.68 per 100 cubic feet
Next 300 cubic feet	1.93 per 100 cubic feet
Over 800 cubic feet	1.18 per 100 cubic feet